Synchronized construction of port no.5 complex in the Southeast area

In the morning of 24/08, in Vung Tau, Deputy Prime Minister Mr. Hoang Trung Hai chaired a meeting with relevant ministries to review the implementation of the detailed planning group of port no.5 in the Southeast area consisting of Ho Chi Minh City, Dong Nai, Ba Ria – Vung Tau.

Infrastructure investment is still insufficient

According to the Ministry of Transport (MOT), after the implementation of the policy to move the whole urban port system of Ho Chi Minh City, until now the no.5 port group has been invested and developed according to the modern model, the region’s nodal and international transit area. The total port that has been put into operation reached 74/151 berths with a length of 23.8km and an area of infrastructure above 1,200ha/2,779ha as planned.

Most of the ports are dedicated and responsible for 65% of the country’s cargo container. In the two years from 2010 to 2011, the amount of goods that goes through the regional ports group reached 100 million tons, the average growth rate of 15%/year. Dedicated ports, container terminals also welcomed many large vessels up to 157,000 DWT. Along with the construction of ports; connecting infrastructures such as roads, inland waterways, railways, maritime channels are also being invested.

However, as the global economy entered the crisis period, the no.5 port group met difficulties; the development didn’t meet the expectations. Shipping recession, fierce competition of the global maritime has led to the undesired growth of cargo throughput. The goal for 2015 of reaching 170-200 million tons of cargo through put is considered challenging.

At the meeting, there were comments from the maritime industry and the local regions focused on reflecting the inadequacies; limited investments in port infrastructures and technical infrastructures outside the port, especially roads connecting with logistics services. There’s been suspension because of not having connecting roads or transport vehicles not being able to reach. There’s a lack of shallow ports, receiving nodal even in major ports as Cai Mep – Thi Vai, Hiep Phuoc,...
Even between the local regions, when implementing a number of projects there isn’t good coordination, especially in matters of environmental protection and directional distribution of transport. The work of land clearance, relocation, raising capital from converting old port to new port infrastructures is still delayed, causing difficulties for the common goal.

These shortcomings lead to the lack of conditions to ensure favorable exploitation of port system no.5, difficulty in attracting the flow of goods from international transport hubs, affecting the economic efficiency of the project as well as developing detailed objective plans of the entire port complex.

Synchronized infrastructure planning scheme of port area. Picture: VGP/Nguyen Linh

**Solve and manage the inadequacies strictly**

After the consideration and evaluation of the overall progress of the development of port no.5 complex, Deputy Prime Minister Mr. Hoang Trung Hai said that, with the advantage of a coastal country, located on an important and vibrant international shipping route, the formation and development of large scale modern deep-water ports is an indispensible requirement and consistent with the trend of development. In particular, Lach Huyen deep-water seaport in the North, the Southern seaport group at Cai Mep, Ben Dinh, Vung Tau are projects that hold great importance.

Consistent of a goal as such, but in order to meet the set requirements and promote the functionality of the port group, besides from the formation and construction of ports, a number of requirements to note are the connection of infrastructures, goods distribution center, logistics service and specific mechanisms to operate and exploit ports conveniently, synchronize with modern management methods and unified.

Deputy Prime Minister Mr. Hoang Trung Hai pointed out the weaknesses that the port planning group encountered during the process of implementation over the past period and required the efforts to solve and manage them strictly. Which are; the implementation of detailed plans isn’t synchronized, investments are still fragmented, lack of accompanying services, haven’t had reasonable and effective management model, the work of attracting investments hasn’t met the requirements.

On that spirit, the Deputy Prime Minister asked the Ministry of Transport as in the role of directing the planning of port group no.5 to focus on the completion of the approval of the detailed plan, supervise and urge the implementation of the plan and provide guidance to unity and create a synchronized development and a general management model, with differentiation, flow distribution, investment and land development in the formation of the entire Southeast port complex system.
The Deputy Prime Minister noted the Ministry of Transport to review the projects based on the criteria of ensuring the feasibility, constructing port project management model, attracting socialized investment resources while still ensuring effective management, continuing with in-depth study of vessels flow in Cai Mep – Thi Vai.

The Ministry of Transport is to also urgently work with investors, local regions to remove the bottlenecks in infrastructure projects. Ho Chi Minh City is to approve as soon as possible the detailed planning of relocating the remaining inner ports, especially handle the conversion of the project performance. Ba Ria – Vung Tau and Dong Nai provinces are to focus on handling problems in the construction of roads linking to the port, preparing the project, being flexible in the mobilization of capital, calculating the charge to both attract investments and ensure the effectiveness of the project.

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(Translated by Portcoast)